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FM AMEMBASSY NEW DELHI  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2542  
INFO RUCNIRA/IRAN COLLECTIVE  
RUCNNSG/NUCLEAR SUPPLIERS GROUP COLLECTIVE  
RUEHBJ/AMEMBASSY BEIJING 1441  
RUEHLM/AMEMBASSY COLOMBO 4674  
RUEHKA/AMEMBASSY DHAKA 4707  
RUEHIL/AMEMBASSY ISLAMABAD 7659  
RUEHBUL/AMEMBASSY KABUL 2664  
RUEHKT/AMEMBASSY KATHMANDU 5369  
RUEHLO/AMEMBASSY LONDON 9342  
RUEHMO/AMEMBASSY MOSCOW 7828  
RUEHKO/AMEMBASSY TOKYO 3079  
RUEHCI/AMCONSUL CLCUTTA 3140  
RUEHCG/AMCONSUL CHENNAI 3025  
RUEHKP/AMCONSUL KARACHI 3344  
RUEHLH/AMCONSUL LAHORE 2412  
RUEHBI/AMCONSUL MUMBAI 2274  
RUEHPW/AMCONSUL PESHAWAR 3066  
RHEBAAA/DEPT OF ENERGY WASHINGTON DC  
RUCNDT/USMISSION USUN NEW YORK 0169  
RUEHUNV/USMISSION UNVIE VIENNA 0572  
RHEHNSC/NSC WASHDC  
RUEIDN/DNI WASHINGTON DC  
RHHMUNA/CDR USPACOM HONOLULU HI  
RUEHGV/USMISSION GENEVA 2424  
RHHJJPI/PACOM IDHS HONOLULU HI  
RHMFISS/HQ USSOCOM MACDILL AFB FL  
RHMFISS/HQ USCENTCOM MACDILL AFB FL  
RUEKJCS/SECDEF WASHDC  
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 04 NEW DELHI 002536

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EINV, KTIA, IAEA, MOPS, KHIV, EAGR, EPET, IN, PK, CH, KN, IR

SUBJECT: PM ASKS SEN HAGEL FOR HELP PASSING CIVIL NUKE AMENDMENTS

REF: NEW DELHI 2090

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Classified By: Ambassador David Mulford for Reasons 1.4 (B, D)

11. (C) Summary: Prime Minister Manmohan Singh in an April 10 meeting in Delhi with Senator Chuck Hagel asked for "Congressional blessings" for the US-India civil nuclear deal. He outlined to the Senator the importance of the deal to India's burgeoning economy, and made the case that India is a responsible nuclear power, a more confident player in international trade, a reliable partner with the US on a host of bilateral and international issues, and a good neighbor, specifically citing its relations with Pakistan, Afghanistan, and Iran, all of which hew closely to US policy. Senator Hagel expressed his support for the nuclear deal, which he said would benefit both countries, the region, and the world; he predicted it would be passed through the Senate, though he noted that timing was uncertain as the US legislature (as its Indian counterpart) would, and should, scrutinize all details of the arrangement to ensure both sides are fully satisfied. End Summary.

PM Seeks Congressional Blessing Over Nuclear Deal

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12. (C) The PM welcomed Senator Hagel by referring to the state of play of bilateral affairs as "Springtime in US-India relations." He credited the President and Secretary Rice with having ushered in a "new climate of confidence and trust" between the US and India and asked for "Congressional blessings" for the US-India civil nuclear deal. The PM also reminisced about his meetings with the President in September 2004 (New York) and July 2005 (Gleneagles G-8 Summit).

#### Nuclear Deal: It's About The Economy

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13. (C) The PM said the nuclear deal would help accelerate India's socio-economic development. He cited India's current economic growth of 7-8% and its high rates of domestic savings (29% of GDP) and investment (31% of GDP) as reasons why India needs more efficient energy sources than it currently possesses. India's labor force demographics are favorable but the country cannot build on that strength without employing the youth, which means finding adequate energy sources to power the economy, the PM outlined. He added that "the strain on India's development is imported hydrocarbons," and he sought to diminish that reliance. The nuclear deal is not, the PM underlined, about India's strategic program.

#### A Good Partner ...

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14. (C) The PM continued that India needs only a modest strategic program. Delhi has "an impeccable NPT record on unauthorized proliferation of sensitive WMD technology," he added, while pointing out that "in the region ... there has been clandestine proliferation in our neighborhood." The PM

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said that he, and by extension the GOI, is "committed to utmost restraint and believes in utmost responsibility." He also pointed to India's democratic traditions, its checks and balances, its firm civilian control over nuclear weapons "unlike North Korea...and some other countries," and its population's pro-US outlook (i.e. the 70% approval rating the US enjoys among the Indian public).

#### ... With a Good History ....

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15. (C) The PM turned to the history of US-India relations, noting the years the two countries spent as "partners in development" followed by a "cooling period." After the 1974 nuclear test, "our scientists, rightly or wrongly, felt the US imposed restrictive regimes to prevent India's socio-economic leapfrogging." The PM contrasted this history with the nuclear deal, which he said would "remove the final irritant" in bilateral relations and usher in a "new, exciting era of partnerships."

#### ... and a Bright Future

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16. (C) Vowing that India is ready to "accept the risks and responsibilities" of globalization, the PM summarized off the other recent breakthroughs in US-India relations: the Agricultural Knowledge Initiative, jointly promoting the UN Democracy Fund, the S&T Commission, the Defense Framework Agreement, and cooperation on infectious diseases including HIV/AIDS. He concluded that the time is right to "widen and deepen" relations.

#### Senator Hagel Expresses His Support

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17. (C) Senator Hagel responded that he had met with Secretary Rice recently and had also been briefed by

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Undersecretary Burns, and that he hopes the Senate would move as swiftly as possible on the civil nuclear deal. He added that this agreement would be in the interests of both countries, the region, and the world. Senator Hagel added that he still has some questions, and that both the Indian Parliament and the US Congress must both be satisfied and must ask tough questions. He predicted the deal would be finished in the Congress within the current session, but cautioned he could not promise or commit to that timeframe.

¶8. (C) Senator Hagel explained that, as a smaller body used to dealing with international issues because of its Constitutional role in ratifying treaties, the deal may move through the Senate faster than it does through the House of Representatives. He added that, in his view, President Musharraf and the GOP would eventually see tQ US-India deal as being in their interests, and that it would not affect US-Pakistan relations.

India is a Good Neighbor  
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¶9. (C) The PM seized on Senator Hagel's mention of Pakistan to underline that he hopes to resolve all outstanding issues between India and Pakistan, "including Jammu and Kashmir." Relations have never been as good, he insisted, pointing to India's earthquake relief aid to Pakistan (and Pakistan's acceptance of same), the bus and rail links, and his vision outlined in his Amritsar speech of a positive future between India and a "stable, prosperous, democratic, moderate Pakistan (Reftel)." "Pakistan has hitherto been the epicenter of terrorism against India ... our concern is with terror attacks on our key assets, including Parliament, State Assemblies, and the Indian Institute of Science," he illustrated. Becoming more upbeat, the PM continued, "I have been assured President Musharraf will take all measures against terrorism, then enormous possibilities will open up, we can be a factor in stabilizing South Asia, the Middle East and East Asia. As far as I'm concerned, we will do all we can to normalize relations."

¶10. (C) PM Singh then noted that "Although India is a poor country, we contributed \$650 million in assistance to Afghanistan." "A democratic, prosperous, and moderate Islamic Afghanistan is in all our interests," he added.

What About Iran?  
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¶11. (C) Senator Hagel drew the PM's attention to questions he had been asked about India's relations with Iran. The PM responded by noting that the GOI voted twice with the USG in the IAEA. He pointed to India's 4 million expatriates working in the Gulf countries, its 150 million Muslims -- particularly its 25 million Shias, and its reliance on Middle East oil supplies, and stated that "rightly or wrongly, India-Iran relations do influence a section of our population." That said, he concluded, "We have no doubt, we want no more nuclear weapon states in our neighborhood...Iran's nuclear ambitions should be curbed."

¶12. (C) The PM told Senator Hagel that he had twice asked Iranian President Ahmadinejad by phone to "show more flexibility." "Our advice has not been to encourage Iran in any way," he avowed.

Embassy Comment: PM a Smooth Lobbyist for Nuke Deal  
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¶13. (C) PM Singh's meeting with Senator Hagel demonstrates his refined understanding of US politics and government, and also illustrates his effectiveness in lobbying for the nuclear deal. At the close of the meeting, the PM asked Senator Hagel which state he represents; upon hearing the

Senator's response, the PM waxed eloquently about a University of Nebraska professor he had known years ago.

List of Participants

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¶14. (U) GOI Delegation  
Prime Minister Manmohan Singh  
National Security Advisor MK Narayanan  
Joint Secretary (Americas) S Jaishankar  
Joint Secretary (Prime Minister's Office) Sujata Mehta  
Director (Prime Minister's Office) DB Venkatesh Verma  
(notetaker)

¶15. (U) USG Delegation  
Senator Hagel  
Ambassador Mulford  
Poloff Howard Madnick (notetaker)

¶16. (U) Senator Hagel cleared this cable.

¶17. (U) Visit New Delhi's Classified Website:  
(<http://www.state.sgov.gov/p/sa/newdelhi/>)  
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